

Don Johnson

From: Trey Shupert
Sent: Friday, January 03, 2003 5:33 PM
To: Board of Selectmen
Subject: Special Board of Selectmen's Meeting - January 6th

Folks:

I have rescheduled my travel and will be able to attend the special Board of Selectmen's meeting, scheduled for this coming Monday at 7:00 pm.

The reason this meeting has been scheduled is because of an action item at our last ALG meeting. At that ALG meeting, group members discussed a number of potential alternatives for 3 three financial plan (FY 04, 05 and 06). After almost three hours, the conclusion that ALG members reached was that we needed to do a \$3 million override in 04 and another \$3 million override in 05 and use 2 million in Free Cash in both of those years under the assumption that there would be some replenishment in 05. FY 06 was still a difficult challenge and the plan still shows (even with 2 overrides of \$6 million in two years) a deficit of \$5 to \$6 million in FY 06. We decided that in the current environment of economic uncertainty, it was probably to risky to make any assumptions about FY 06. Our hope is that the economy will stablize and recover by then.

I don't think any one of us on the ALG were very happy about 2 back-to-back overrides of \$3 million each, however, none of the alternatives got us to where we needed to be in FY 05. Accordingly, members were asked to go back and poll their respective boards on the current ALG recommendation.

In talking to Peter Ashton, he and I share the same concern that two operating overrides would be at best, an extremely difficult sell with voters. Peter volunteered to develop some other alternatives for the Board's consideration. He had originally hoped to provide advanced copies of his alternatives in tonight's package, however, he is revising his proposal into a powerpoint presentation and will most likely email it to the board Sunday evening.

Walter and I need to get the Board's perspective on our financial options and then report back to ALG on Wednesday morning, hence the required Special meeting on Monday night. Additionally, Marie Altieri proposed that the 3 entities (Municipal, local schools and Regional Schools) cut an additional \$1 million form our A level budgets for FY 04. The Town's share of this would be \$280K. The School Committee did discuss this last night and they are

working on \$720K from their budgets -- but it is still a proposal at this point. Marie and others feel that an operating override in FY 05 will be very difficult, especially after an override in FY 04. She wants to try to doing everything she can by cutting the FY 04 A level budgets in an effort to reduce the need for FY 05 operating override. I told her that we would discuss this on Monday night and report back to ALG on Wednesday. There are obviously advantages and disadvantages to this proposal.

I have added one more agenda item after our budget discussion and that is to talk about the electronic versions of our Selectmen packages. I applaud Town Staff for getting our packages on-line so that we can view them and the goal is to eliminate hardcopy packages altogether at some point in the very near future. Therefore, I want to have a brief discussion of how the access is going for everyone, and what information we would want hardcopy to be available for us at our board meetings. Hopefully this can be a quick discussion.

My intention is to have a budget discussion for 60 minutes and a 15 minute discussion about the electronic version of our packages, with an adjournment no later than 8:30 p.m.

Finally, I do not want to carry on email discussion about the budget situation as this would be a violation of open meeting law. The purpose of this email is just to alert you all to the budget issues and the two items on the board's agenda in order to give you time to think about our financial alternatives on FY 04 & 05 operating budgets.

See you all on Monday.

Regards,
Trey